

February 1, 2002

**INFORMATION AND INSTRUCTIONS TO FILE PUC CLASS "C" ANNUAL FINANCIAL
REPORT FOR CALENDAR YEAR ENDED DECEMBER 31, 2001**

PASSENGER CONTRACT CARRIERS, HAW-PUC FORM 92-014

1. **General Requirements**

This report must be filed by **passenger contract carriers**. Although the balance sheet and income statement are not required, it does not preclude you from keeping a set of books to account for your total operations which includes both PUC and non-PUC functions. If necessary, you shall be subject to audit.

2. **Where to File**

465 South King Street
Kekuanaoa Building, Room 103
Honolulu, Hawaii 96813

3. **Number of Copies Required**

Submit the **original** and **one copy** of the completed PUC Annual Financial Report.

4. **Due Date of Annual Financial Report**

The Annual Financial Report for calendar year ended December 31, 2001 and the Gross Revenue Fee are due on or before April 30, 2002.

5. **Extension Request to File Annual Financial Report**

- a. If you cannot complete your report for calendar year 2001 on or before the due date, you may ask for an extension of time to file the report. A request for extension of time to file the report must be postmarked or hand delivered to the Commission on or before APRIL 30, 2002 to avoid penalties under section 271-27(i) of the Hawaii Revised Statutes. Approval shall be granted for good cause only. A form for requesting the extension of time to file is included with this information and instruction letter.
- b. An extension of time to file your 2001 Annual Financial Report shall not be granted unless your current year's PUC Motor Carrier Gross Revenue Fee is paid with your extension request.

- c. The extension is valid for only one month or until May 31, 2002. If you fail to file your Annual Financial Report by this date, you shall be assessed penalties in accordance with paragraph 6 below.

6. Penalty for Late Filing of Annual Financial Report

Under Section 271-27(i), Hawaii Revised Statutes, you are subject to a penalty for delinquent filing of the Annual Financial Report. The penalty is equal to **one-sixteenth of one percent per month** of the PUC annual gross revenues. The penalty is assessed for each month or fraction of a month that the report is delinquent. The minimum penalty is \$50.00.

7. Instructions to Complete Annual Financial Report

- a. The Annual Financial Report must either be TYPED or prepared in BLUE or BLACK INK. Any report handwritten in PENCIL shall be rejected.

- b. Refer to Cover Page:

Enter your name (as stated on your certificate), PUC number and the calendar year **2001**.

- c. Refer to Exhibit A:

- 1. This section refers to questions concerning the organization of the carrier. Answer questions 1 to 16 where applicable.
- 2. Complete the verification section. Be sure that the owner, partner, officer or an authorized agent with the power of attorney signs the verification page. If it is not signed by the proper authority, it shall be **REJECTED**.

- d. Refer to Exhibit B:

- 1. Section A - Operating Revenues

Enter the PUC revenues accrued during calendar year 2001 on the appropriate line(s).

- 2. Section B - PUC Motor Carrier Gross Revenue Fees

On line 7, enter the total PUC revenues from line 6. Compute the motor carrier gross revenue fee by multiplying line 7 by the factor

.0025 and enter this amount on line 8. **The minimum amount due is \$20.00.** On line 9a, enter any credit from the overpayment of the Prior Year's Fee. On line 9b, enter the payment which was submitted with the Extension Request. Subtract line 9a and 9b from line 8 and enter this amount on line 10. If an amount is due, attach a check made payable to Hawaii PUC. **DO NOT MAIL CASH.**

If you fail to pay the amount due on or before April 30, 2002, you shall be assessed penalty and interest charges. Under Section 271-27(h) of the HRS, you are subject to a penalty for the failure to pay the motor carrier gross revenue fee. This law authorizes the Commission to assess a minimum penalty up to \$1,000.00 and between \$50.00 and \$500.00 per day for continuous non-payment. Interest shall continue to accrue at a rate of ten (10) percent per annum.

- e. Refer to Exhibit C:

Complete the Income Statement by including your revenues and expenses which relate only to your PUC operations on Lines 1 to 19. For your Non-PUC operations, include the **net** operating income or loss on Line 23a.

- f. Refer to Exhibit D:

List vehicles which are currently being used for your PUC operations.

8. Carrier with Extended Operating Revenues

A motor carrier with extended operating authority on other islands must file the cover page and exhibits B and C for **each** island. The organization schedule (exhibit A) may be submitted on a consolidation basis.

9. Additional Instructions

HRS § 239-2 relating to the **Public Service Company (PSC) Tax** amends certain PSC tax provisions, particularly by amending the definition of "gross income" to allow motor carriers to pay the PSC Tax only on their portion of gross receipts received through the arrangements with other motor carriers. **HRS § 239-2 DOES NOT APPLY TO THE CALCULATION OF THE PUC MOTOR CARRIER FEE (Fee).** There is **no** provision under PUC statutes that allows for a deduction in gross revenues to calculate the PUC Fee. No deductions to gross revenues (including **Farm-Outs**) shall apply when calculating the PUC Fee. See Hawaii Revised Statutes § 271-36.

10. Questions

If you have any questions, please call the PUC audit section in Honolulu at 586-2020 or visit our Department web site at <http://www.state.hi.us/budget/>. Neighbor island carriers may call their local PUC office for assistance:

Island of Kauai	274-3232
Island of Maui	984-8182
Island of Hawaii	974-4533

**EXTENSION REQUEST TO MAY 31, 2002
TO FILE 2001 PUC ANNUAL FINANCIAL REPORT
FOR CLASS "C" CONTRACT CARRIERS**

1. This extension request must be postmarked on or before April 30, 2002. See paragraph 5a of Instruction Sheet.
2. Payment for motor carrier fee must be attached. See paragraph 5b of Instruction Sheet.
3. We **will not grant additional extensions beyond May 31, 2002**. Show cause hearing for revocation of your certificate shall be initiated if your annual financial report is not received by said date.
4. HRS § 239-2 relating to the **Public Service Company (PSC) Tax** amends certain PSC tax provisions, particularly by amending the definition of "gross income" to allow motor carriers to pay the PSC Tax only on their portion of gross receipts received through the arrangements with other motor carriers. HRS § 239-2 **DOES NOT APPLY TO THE CALCULATION OF THE PUC MOTOR CARRIER FEE (Fee)**. There is no provision under PUC statutes that allows for a deduction in gross revenues to calculate the PUC Fee. No deductions to gross revenues (including **Farm-Outs**) shall apply when calculating the PUC Fee. See Hawaii Revised Statutes § 271-36.

Part A:

Carrier Name _____

PUC No. _____

Address _____

Telephone No. _____

Reason for extension _____

Signature _____

Date _____

Title _____
(Owner, Partner, Officer, Authorized Agent)

Part B - Motor Carrier Fee

- | | | |
|----|--|----------|
| 1. | PUC Regulated Revenues for Calendar Year 2001 | \$ _____ |
| 2. | Fee = .0025 x Line 1 (Minimum fee \$20) | \$ _____ |
| 3. | Less: Credit for Overpayment of Prior Year's Fee | \$ _____ |
| 4. | Balance Due (Difference Line 2 minus Line 3) | \$ _____ |